UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

MULTI-FORMAT, INC.,	)	
Plaintiff,	)	
v.	)	Civil Action No.: 08-CV-4410 (JAG) (MCA)
BALLY'S PARK PLACE, INC., and NICE SYSTEMS, INC.,	)	Jury Trial Demanded
Defendants.	)	

DEFENDANTS NICE SYSTEMS, INC.'S & BALLY'S PARK PLACE, INC.'S JOINT DISCLOSURES PURSUANT TO LOCAL PATENT RULES 3.3 AND 3.4

I. Introduction

Pursuant to the January 27, 2009 Revised Pretrial Scheduling Order, (D.I. 33, ¶ 21), Defendants Nice Systems, Inc. ("Nice") and Bally's Park Place, Inc. ("Bally's") (collectively, "Defendants") hereby jointly submit their Invalidity Contentions pursuant to the disclosure requirements of Local Patent Rules ("L.P.R.") 3.3 and 3.4.

Defendants understand that Plaintiff Multi-Format, Inc. is currently asserting claims 8, 12, and 15 of U.S. Patent No. 5,625,410 ("'410 patent" or "patent-in-suit"). These claims are collectively referred to herein as "the asserted claims." Defendants limit their present Invalidity Contentions to the asserted claims.

As explained below in Sections II and III and in the invalidity claim charts attached as Exhibits 1-21, each of the asserted claims is invalid pursuant to 35 U.S.C. § 102 as anticipated by a single prior art reference and/or invalid pursuant to 35 U.S.C. § 103 as rendered obvious by a single reference or combination of references.

In addition, the asserted claims are invalid pursuant to 35 U.S.C. § 112 because they are indefinite, lack enablement, and lack an adequate written description, as set forth below in Section V.

Defendants' Invalidity Contentions should not be taken to mean: (i) that Defendants agree with the apparent claim constructions advanced in Plaintiff's L.P.R. 3.1 and 3.2 Disclosures, served March 2, 2009; (ii) that Defendants are precluded from propounding alternative claim constructions or requesting Plaintiff's actual clam construction positions in the future; or (iii) that Defendants agree or otherwise believe that the asserted claims are amenable to a meaningful construction or otherwise satisfy the requirements of 35 U.S.C. §§ 101 and 112. Defendants expressly reserve their right to propose alternative claim constructions to those apparently advocated by Plaintiff.

In addition, Defendants' continuing investigations may uncover additional prior art, and prior art, whether or not currently known to Defendants, may become relevant, for example, depending on the claim constructions that Plaintiff or Defendants may assert or that the Court may ultimately adopt. Accordingly, Defendants reserve their right to supplement these Invalidity Contentions including on the basis of later-discovered information, a further understanding of the prior art, expert discovery, the parties' claim construction positions, or the Court's claim construction order, in a manner consistent with the Federal Rules of Civil Procedure, the Local Patent Rules for the District of New Jersey, and the Revised Pretrial Scheduling Order, or otherwise in accordance with any order or direction of this Court or as may be appropriate as the case proceeds.

The combinations of prior art references that Defendants propose herein as demonstrating the obviousness of the asserted claims pursuant to 35 U.S.C. § 103 are merely exemplary and are

not intended to be exhaustive. Additional combinations of the references identified below are possible, and Defendants reserve the right to use any such combinations to demonstrate that the asserted claims would have been obvious to one of ordinary skill in the art at the time of the alleged invention. The relevant art field includes, but is not limited to, video and image eapture, processing, transmission, computer systems and networking, display and optical technology, and storage. And, work in the field includes, but is not limited to, video or image processing or editing, diagnostic imaging, surveillanee, or other professions that handle audio-visual applications, for example, video conferencing. A person of ordinary skill in the art would have a bachelor's degree or the equivalent in electrical engineering, computer science, physics, or similar degree, and would further have several years of work experience in the relevant art field. Alternatively, the person could have additional education in place of work experience, or additional work experience in lieu of a formal educational degree.

Moreover, Defendants are currently unaware of the extent to which Plaintiff will contend that the limitations of certain asserted claims are not disclosed in the art identified by Defendants as anticipatory pursuant to 35 U.S.C. § 102 or § 103. To the extent that an issue arises with respect to any such anticipatory reference or limitation, Defendants reserve the right to identify additional material from the reference or rely on inherency, or to assert that the allegedly missing limitation would have been within the knowledge of one of ordinary skill in the art at the time of the alleged invention. Defendants further reserve the right to rely on additional references that disclose the allegedly missing limitation to render the elaim obvious in combination with the reference in question. For each anticipatory reference identified herein, Defendants alternatively contend that such reference would have rendered the asserted claims invalid for obviousness.

To the extent Plaintiff is permitted to further supplement or amend its Infringement Contentions, Defendants reserve the right to supplement or amend these Invalidity Contentions. For example, Plaintiff has not asserted infringement pursuant to the Doctrine of Equivalents. While Plaintiff should be precluded from adding such assertion, to the extent the Court permits Plaintiff to do so, Defendants reserve the right to supplement or amend these Contentions to address any such allegation.

II. Prior Art

Pursuant to L.P.R. 3.3(a), Defendants hereby identify the following items of prior art that anticipate or render the asserted claims obvious. Charts detailing how exemplary references anticipate and/or render obvious each of the asserted claims are attached as Exhibits 1-21. Defendants reserve the right to supplement or amend these Contentions to include charts for additional prior art references or combinations thereof.[1] Defendants believe that each reference upon which they rely constitutes prior art to the asserted claims if the asserted claims are accorded the priority date no earlier than April 7, 1995, as asserted by Plaintiff in its disclosures pursuant to L.P.R. 3.1(f). While Plaintiff should be precluded from alleging or relying on an earlier priority date, to the extent the Court permits Plaintiff to do so, Defendants reserve the right to supplement or amend these Contentions to address any such allegation.

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[1] In its L.P.R. 3.1(c) disclosures, Plaintiff identified three limitations of claim 15 as governed by 35 U.S.C. § 112 ¶ 6, but failed to provide any identification of the corresponding structure that allegedly performs such functions in the accused instrumentalities, as required. Pursuant to L.P.R. 3.3(c), Defendants have provided a preliminary identification of the corresponding structures for the limitations governed by Section 112 ¶ 6, in the prior art references in the charts attached as Exhibits 1-21, but reserve the right to supplement or modify this preliminary identification.

A. Patents and Published Applications

Patent Number	Country of Origin	Filing Date	Issue Date / Publication Date	First Named Inventor
2,995,620	U.S.	June 27, 1965	August 8, 1961	Burr
3,617,626	U.S.	May 16, 1969	November 2, 1971	Bluth
3,811,008	U.S.	January 24, 1972	May 14, 1974	Lee
3,935,380	U.S.	December 6, 1974	January 27, 1976	Coutta
4,051,524	U.S.	May 7, 1976	September 27, 1977	Baxter
4,074,225	U.S.	May 9, 1975	February 14, 1978	Vandeweghe
4,120,004	U.S.	April 11, 1977	October 10, 1978	Coutta
4,138,694	U.S.	February 23, 1977	February 6, 1979	Doi
4,198,656	U.S.	October 24, 1975	April 15, 1980	Mathisen
4,237,483	U.S.	March 19, 1979	December 2, 1980	Clever
4,324,401	U.S.	January 15, 1979	April 13, 1982	Stubben
4,360,827	U.S.	June 2, 1981	November 23, 1982	Braun
4,458,266	U.S.	October 21, 1981	July 3, 1984	Mahoney
4,507,683	U.S.	April 2, 1982	March 26, 1985	Griesshaber
4,510,526	U.S.	April 19, 1983	April 9, 1985	Coutta
4,511,886	U.S.	October 6, 1983	April 16, 1985	Rodriguez
4,516,156	U.S.	March 15, 1982	May 7, 1985	Fabris
4,616,319	U.S.	August 6, 1984	October 7, 1986	Peters
4,618,894	U.S.	April 6, 1984	October 21, 1986	Ichinoi
4,630,110	U.S.	February 15, 1984	December 16, 1986	Cotton
4,650,929	U.S.	February 28, 1985	March 17, 1987	Boerger
4,654,703	U.S.	November 22, 1985	March 31, 1987	Viera
4,661,863	U.S.	April 3, 1984	April 28, 1987	Ichinoi
4,663,518	U.S.	October 31, 1985	May 5, 1987	Borror
4,673,974	U.S.	January 7, 1986	June 16, 1987	Setsuo
4,685,003	U.S.	August 4, 1987	December 2, 1983	Westland
4,686,698	U.S.	April 8, 1985	August 11, 1987	Tompkins
4,691,248	U.S.	May 21, 1986	September 1, 1987	Nishimoto
4,692,806	U.S.	April 8, 1986	September 8, 1987	Anderson
4,710,917	U.S.	April 8, 1985	December 1, 1987	Tompkins
4,712,103	U.S.	December 13, 1985	December 8, 1987	Gotanda
4,729,044	U.S.	February 5, 1985	March 1, 1988	Kiesel
4,739,401	U.S.	January 25, 1985	April 19, 1988	Sacks
4,768,090	U.S.	September 8, 1987	August 30, 1988	Camps
4,772,945	U.S.	May 11, 1987	September 20, 1988	Tagawa
4,777,526	U.S.	June 5, 1987	October 11, 1988	Saitoh
4,777,527	U.S.	December 23, 1986	October 11, 1988	Camps
4,811,408	U.S.	November 13, 1987	March 7, 1989	Goldman
4,812,924	U.S.	March 9, 1987	March 14, 1989	Fukami
4,814,869	U.S.	April 27, 1987	March 21, 1989	Oliver
4,823,207	U.S.	January 30, 1987	April 18, 1989	Kobayashi

Patent Number	Country of Origin	Filing Date	Issue Date / Publication Date	First Named Inventor
4,829,389	U.S.	November 16, 1987	May 9, 1989	Fukuda
4,847,829	U.S.	November 25, 1987	July 11, 1989	Tompkins
4,849,486	U.S.	July 9, 1986	July 18, 1989	Tsuchiya
4,873,573	U.S.	December 23, 1986	October 10, 1989	Thomas
4,876,597	U.S.	August 18, 1988	October 24, 1989	Roy
4,879,747	U.S.	Mareh 21, 1988	November 7, 1989	Leighton
4,905,262	U.S.	July 28, 1988	February 27, 1990	Eby
4,931,868	U.S.	May 31, 1988	June 5, 1990	Kadar
4,937,685	U.S.	December 2, 1983	June 26, 1990	Barker
4,942,464	U.S.	March 9, 1989	July 17, 1990	Milatz
4,943,854	U.S.	November 17, 1985	July 24, 1990	Shiota
4,951,140	U.S.	February 22, 1989	August 21, 1990	Ueno
4,961,211	U.S.	June 30, 1988	October 2, 1990	Tsugane
4,962,473	U.S.	December 9, 1988	October 9, 1990	Crain
4,965,819	U.S.	September 22, 1988	October 23, 1990	Kannes
4,992,866	U.S.	June 29, 1989	February 12, 1991	Morgan
4,884,898	U.S.	March 6, 1989	February 19, 1991	Ling
5,001,348	U.S.	August 23, 1989	March 19, 1991	Dirscheri
5,012,334	U.S.	January 29, 1990	April 30, 1991	Etra
5,014,267	U.S.	April 6, 1989	May 7, 1991	Tompkins
5,027,222	U.S.	June 19, 1989	June 25, 1991	Shinbo
5,027,413	U.S.	June 13, 1989	June 25, 1991	Barnard
5,034,986	U.S.	February 12, 1990	July 23, 1991	Karmann
5,040,067	U.S.	January 30, 1989	August 13, 1991	Yamazaki
5,095,196	U.S.	December 28, 1989	March 10, 1992	Miyata
5,097,328	U.S.	October 16, 1990	March 17, 1992	Boyette
5,103,306	U.S.	March 28, 1990	April 7, 1992	Weiman
5,111,290	U.S.	December 28, 1990	May 5, 1992	Gutierrez
5,117,285	U.S.	January 15, 1991	May 26, 1992	Nelson
5,128,776	U.S.	June 16, 1989	July 7, 1992	Scorse
5,142,367	U.S.	December 14, 1990	August 25, 1992	Hong
5,144,661	U.S.	February 11, 1991	September 1, 1992	Shamosh
5,150,212	U.S.	December 31, 1990	September 22, 1992	Han
5,179,449	U.S.	January 11, 1990	January 12, 1993	Doi
5,182,776	U.S.	March 4, 1991	January 26, 1993	Suzuki
5,191,645	U.S.	February 28, 1991	March 2, 1993	Carlucci
5,202,759	U.S.	January 24, 1992	April 13, 1993	Laycock
5,206,929	U.S.	October 26, 1990	April 27, 1993	Langford
5,216,502	U.S.	December 18, 1990	June 1, 1993	Katz
5,218,672	U.S.	January 19, 1990	June 8, 1993	Morgan
5,229,850	U.S.	July 29, 1991	July 20, 1993	Toyoshima
5,235,420	U.S.	March 22, 1991	August 10, 1993	Gharavi
5,237,408	U.S.	August 2, 1991	August 17, 1993	Blum

Patent Number	Country of Origin	Filing Date	Issue Date / Publication Date	First Named Inventor
5,237,648	U.S.	June 8, 1990	August 17, 1993	Mills
5,243,418	U.S.	November 27, 1991	September 7, 1993	Kuno
5,253,062	U.S.	September 19, 1991	October 12, 1993	Ohta
5,258,837	U.S.	October 19, 1992	November 2, 1993	Gormley
5,260,783	U.S.	February 21, 1991	November 9, 1993	Dixit
5,270,811	U.S.	June 21, 1991	December 14, 1993	Ishibashi
5,272,527	U.S.	April 2, 1992	December 21, 1993	Watanabe
5,285,273	U.S.	February 19, 1988	February 8, 1994	James
5,293,313	U.S.	November 21, 1990	March 8, 1994	Cecil
5,325,194	U.S.	August 26, 1992	June 28, 1994	Natori
5,335,013	U.S.	January 16, 1992	August 2, 1994	Faber
5,339,104	U.S.	December 9, 1992	August 16, 1994	Hong
5,339,393	U.S.	April 15, 1993	August 16, 1994	Duffy
5,341,439	U.S.	August 21, 1992	August 23, 1994	Hsu
5,382,972	U.S.	September 8, 1992	January 17, 1995	Kannes
5,400,069	U.S.	June 16, 1993	March 21, 1995	Braun
5,406,327	U.S.	November 18, 1993	April 11, 1995	Guarnotta
5,406,328	U.S.	September 28, 1993	April 11, 1995	Chodos
5,422,989	U.S.	November 23, 1992	June 6, 1995	Bell
5,446,002	U.S.	June 8, 1994	August 29, 1995	Kukes
5,481,297	U.S.	February 25, 1994	January 2, 1996	Cash
5,490,247	U.S.	November 24, 1993	February 6, 1996	Tung
5,491,508	U.S.	March 21, 1994	February 13, 1996	Friedell
5,491,511	U.S.	February 4, 1994	February 13, 1996	Odle
5,491,797	U.S.	November 30, 1992	February 13, 1996	Thompson
5,502,576	U.S.	August 24, 1992	March 26, 1996	Ramsay
5,509,009	U.S.	May 20, 1993	April 16, 1996	Laycock
5,515,099	U.S.	January 17, 1995	May 7, 1996	Cortjens
5,517,236	U.S.	June 22, 1994	May 14, 1996	Sergeant
5,521,634	U.S.	June 17, 1994	May 28, 1996	McGary
5,526,037	U.S.	January 17, 1995	June 11, 1996	Cortjens
5,526,133	U.S.	June 28, 1994	June 11, 1996	Paff
5,548,324	U.S.	May 16, 1994	August 20, 1996	Downs
5,568,183	U.S.	January 17, 1995	October 22, 1996	Cortjens
5,583,565	U.S.	January 17, 1995	December 10, 1996	Cortjens
5,589,878	U.S.	January 17, 1995	December 31, 1996	Cortjens
5,598,208	U.S.	September 26, 1994	January 28, 1997	McClintock
5,598,209	U.S.	January 17, 1995	January 28, 1997	Cortjens
5,604,341	U.S.	March 13, 1995	February 18, 1997	Grossi
5,612,734	U.S.	November 13, 1995	March 18, 1997	Nelson
5,619,995	U.S.	June 14, 1994	April 15, 1997	Lobodzinksi
5,648,814	U.S.	September 27, 1995	July 15, 1997	Munson
5,642,498	U.S.	April 12, 1994	June 24, 1997	Kutner

Patent Number	Country of Origin	Filing Date	Issue Date / Publication Date	First Named Inventor
5,649,255	U.S.	September 25, 1995	July 15, 1997	Schieltz
5,657,096	U.S.	May 3, 1995	August 12, 1997	Lukacs
5,659,692	U.S.	May 8, 1995	August 19, 1997	Poggio
5,689,442	U.S.	March 22, 1995	November 18, 1997	Swanson
5,729,471	U.S.	March 31, 1995	March 17, 1998	Jain
5,737,011	U.S.	May 3, 1995	April 7, 1998	Lukacs
5,764,277	U.S.	November 8, 1995	June 9, 1998	Loui
5,767,897	U.S.	October 31, 1994	June 16, 1998	Howell
5,774,674	U.S.	June 7, 1995	June 20, 1998	Gutmann
5,818,514	U.S.	December 1, 1994	October 5, 1998	Duttweiler
5,821,990	U.S.	September 2, 1997	October 13, 1998	Rudt
5,825,413	U.S.	November 1, 1995	October 20, 1998	Mullis
5,841,763	U.S.	June 13, 1995	November 24, 1998	Leondires
5,872,923	U.S.	September 28, 1993	February 16, 1999	Schwartz
5,896,128	U.S.	May 3, 1995	April 20, 1999	Boyer
5,926,611	U.S.	December 20, 1996	July 20, 1999	Yang
6,037,977	U.S.	December 23, 1994	March 14, 2000	Peterson
6,292,204 B1	U.S.	June 8, 1995	September 18, 2001	Carleton
6,469,746 B1	U.S.	December 28, 1993	October 22, 2002	Maida
6,700,625 B1	U.S.	May 17, 1995	March 2, 2004	Fujii
2002/0131505 A1	U.S.	March 13, 2002	September 19, 2002	Vidunas
D370,010	U.S.	October 21, 1994	May 21, 1996	Clapp
D322,084	U.S.	June 7, 1989	December 3, 1991	Tabuchi
D312,649	U.S.	February 2, 1988	December 4, 1990	Sakuta
D358,812	U.S.	July 16, 1993	May 30, 1995	Boyd
D347,839	U.S.	December 12, 1990	June 14, 1994	Carota
D349,913	U.S.	January 22, 1993	August 23, 1994	Morris
D311,924	U.S.	March 21, 1988	November 6, 1990	Loyd
D354,973	U.S.	April 5, 1993	January 31, 1995	Hisatune
JP H6-70277	Japan		March 11, 1994	Sato
JP H6-303651	Japan		October 28, 1994	Katona
JP4-184761	Japan		July 1, 1992	
JP4-373386	Japan		December 25, 1992	
JP5-168760	Japan		July 2, 1993	
JP5-227532	Japan		September 3, 1993	
JP5-346773	Japan		December 27, 1993	
JP6-0047310	Japan		January 4, 1994	
JP6-006804	Japan		January 14, 1994	
JP6-044470	Japan		February 18, 1994	
JP6-070040	Japan		March 11, 1994	
JP6-078269	Japan		March 18, 1994	
JP6-086289	Japan		March 25, 1994	

Patent Number	Country of Origin	Filing Date	Issue Date / Publication Date	First Named Inventor
JP6-096378	Japan		April 18, 1994	
JP6-141310	Japan		May 20, 1994	
JP6-266774	Japan		September 22, 1994	
JP6-067098	Japan		March 10, 1995	
EP 0 494 752	Europe		July 7, 1992	Gormley
WO 96/25710	PCT		August 22, 1996	Mok

B. Printed Publications

Author(s)	Title of Publication	Publication Date	Publisher
McLeod	Automated Video Surveillance – Teaching an Old Dog New Tricks	December 17, 1993	S.P.I.E.
Hasegawa *et al.*	Development and Picture Quality Evaluation of a Prototype Hi-Vision Coding System for Facility Monitoring	September 16, 1994	S.P.I.E.
Darg	A New High-Speed Video System for Motion Analysis	June 26-28, 1991	I.E.E.E.
Chang *et al.*	A Remote Multi-Camera Visual Surveillance System Using Frame-Switching Technology	October 5-7, 1988	I.E.E.E.
Cudworth	Modern Video Surveillance and Control Systems Using Digital Image Processing Methods	March 31-April 2, 1992	I.E.E.E.
Murtoviita *et al.*	Visual Aids for Substation Monitoring and Security Control	June 26-28, 1991	I.E.E.E.
Rangan *et al.*	Designing An On-Demand Multimedia Service	July 1, 1992	
Vicon Industries	Vicon Introduces The V5000DVM Digital Video Multiplexer	April 15, 1992	Vicon Industries
Pappageorge	The Secrets of CCTV	August 1, 1993	Security Management
Hayter *et al.*	The Desk Area Network	October 1991	ACM SIGOPS Operating Systems Review
	Point-of-sale monitoring downsizes for small venues	May 1993	
Newton	Picturing the Future of CCTV	November 1, 1994	Security Management
Rangan *et al.*	Efficient Storage Techniques for Digital Continuous Multimedia	August 1, 1993	I.E.E.E.
Barthel	Digital Storage Weighed for	February 22, 1994	American Banker

	ATM Surveillance		
Carvahlo *et al.*	Automated Detection of Intruders Using a Neural Network	April 21, 1992	S.P.I.E.

C. Products and Systems Publicly Known, Used or On Sale

On information and belief, there were many prior art surveillance systems publicly known, used, or on sale prior to April 7, 1995. Defendants are still investigating such prior art systems, but on information and belief, prior art systems were sold by at least the following vendors:

- Astraguard Group AS
- D/A Technology
- Gyyr Inc.
- Pelco Inc.
- Sensormatic Retail Solutions
- Visual Methods, Inc.
- Vicon Industries Inc.
- Nac Image Technology
- Loronix Information Systems, Inc.

D. Applicants' Admitted Prior Art

Admissions made by the applicants in the specification of the patent-in-suit, including in the "Background of the Invention" section, which describes the prior art known to the applicants, are admissions that can be relied upon for both anticipation and obviousness determinations, regardless of whether the admitted prior art would otherwise qualify as prior art under the statutory categories set forth in 35 U.S.C. § 102. *See* M.P.E.P. §§ 608.10(c) & 2129.

For example, applicants admit that at least the following components and technology were known to one of ordinary skill in the art at the time of filing of the patent-in-suit and therefore are prior art to the asserted claims:

- Monitors, including those with windows displaying software. *See, e.g.*, 2:65-66 ("PC-based platform employing window displaying software,"); 3:6-7 ("conventional

10″ VGA-format (640x840 pixels) monitor"); 5:1-2; ("commonly available 14″ VGA-format computer monitor with a dimension in pixels of 640x480"); 5:65-66 ("a 14″ to 17″ SVGA computer monitor with a dimension in pixels of 1240x1024"); 10:57-59 ("color LCD panels," and "LCD projector systems");

- Storage for video. *See, e.g.*, 3:29-30 ("tape back-up device, such as a DAT or 8-mm tape recorder"); 3:32-34 ("disk storage devices, preferably including removable disk drives such as magneto-optical disks or PCMCIA-compatible disk-drive modules"); 4:45-47 ("4-mm helical-scan data cartridge, commonly referred to as a digital audio tape (DAT)"; 5:6 "10 GB DAT tape"); 5:47-49 ("20 GB 8-mm data cartridge");

- Cameras and analog to digital converters for video or images. *See, e.g.*, 6:48-52 ("an analog input-digital processing card installed in the PC which allows the use of existing analog cameras and cables with the PC-based monitoring system. . . . which may be obtained from such manufacturers as Nova, Model No. V-SW"); 7:12-18 ("digital input/output digital processing card," or "printed-circuit card"; 7:23-24 ("Interfacing technology for these communication methods are in common usage and well known in the art");

- Video and image compression. *See, e.g.*, 8:52-55 ("Use of a resolution-independent data compression scheme, such as the 'Fractal Compression' method of Iterated Systems, Inc.");

- Video monitoring and storage systems capable of handling multiple sources, including PC-based systems that permitted display of multiple images on a monitor. *See, e.g.*, 1:19-2:61.

Additional acknowledgements and admissions regarding the prior art can be found in the specification, as well as the prosecution history of the patent-in-suit, including, for example, the Information Disclosure Statements filed by applicants during prosecution of the patent-in-suit, and applicants' amendment of certain claims in the patent-in-suit, produced as MF000110-MF000113, in response to the examiner's preliminary rejection of certain claims of the patent-in-suit, produced as MF000103-MF000109.

Plaintiff has thus far failed to produce file histories for any patents or patent applications, domestic or foreign, related to the patent-in-suit. Defendants reserve the right to supplement these Invalidity Contentions based upon the prior art cited in those applications or any other

acknowledgements or admissions contained in any related patent or patent application or its file histories.

III. Anticipation and Obviousness Prior Art

A. Anticipatory Prior Art Pursuant to 35 U.S.C. § 102

Pursuant to L.P.R. 3.3(b), Defendants identify examples of prior art that they contend anticipates one or more of the asserted claims of the patent-in-suit pursuant to 35 U.S.C. § 102, and the claims anticipated by these references, in the table below:

U.S. Patent No. 5,625,410	
Claim 8	Blum, Boerger, Kannes '819, Kannes '972, Kutner, Lobodzinski, Gormley, McLeod, Cash
Claim 12	Blum, Boerger, Kannes '819, Kannes '972, Kutner, Lobodzinski, Gormley, McLeod, Cash
Claim 15	Blum, Boerger, Kannes '819, Kannes '972, Lobodzinski, McLeod

Pursuant to L.P.R. 3.3(c), attached as Exhibits 1-9 are charts setting forth in detail how each of the identified prior art references anticipates the identified claims. Additional detail on each reference is also provided in Section III.B. below. The citations to the prior art references in these charts are merely exemplary and Defendants reserve their right to rely on additional disclosures in those prior art references. To the extent that any of the anticipatory prior art identified by Defendants does not explicitly or inherently disclose or teach each limitation of the asserted claims, or the asserted claims are ultimately construed in a manner whereby the above art does not read on each limitation, Defendants contend that the asserted claims are nonetheless obvious in light of such reference(s), either alone or in combination with other references cited herein.

B. Obviousness Prior Art Pursuant to 35 U.S.C. § 103

Pursuant to L.P.R. 3.3(b), the table below identifies prior art that Defendants contend renders one or more of the asserted claims of the patent-in-suit obvious, either alone or in

combination. To the extent that any limitation is not fully described or inherent in any cited reference, it would have been obvious to one of ordinary skill in the art at the time of the alleged invention to combine that reference with other references that describe video systems that include that feature to result in the claimed invention.

U.S. Patent No. 5,625,410	
Claim 8	Blum, Boerg, Kannes '819, Kannes '972, Kutner, Lobodzinski, Gormley, McLeod, Cash, Shiota, Toyoshima, Chang, Rodrigeuz, Tagawa, Mahoney, Hasegawa, Katona, Downs, Shamosh, Saitoh, Sato
Claim 12	Blum, Boerg, Kannes '819, Kannes '972, Kutner, Lobodzinski, Gormley, McLeod, Cash, Shiota, Toyoshima, Chang, Rodrigeuz, Tagawa, Mahoney, Hasegawa, Katona, Downs, Shamosh, Saitoh, Sato
Claim 15	Blum, Boerg, Kannes '819, Kannes '972, Kutner, Lobodzinski, Gormley, McLeod, Cash, Shiota, Toyoshima, Chang, Rodrigeuz, Tagawa, Mahoney, Hasegawa, Katona, Downs, Shamosh, Saitoh, Sato

Pursuant to L.P.R. 3.3(b) and (c), Defendants set forth below and in Exhibits 1-21 the representative bases for the assertion that each of the prior art references and combinations of references identified below render the asserted claims obvious pursuant to 35 U.S.C. § 103. For those charts pertaining to Japanese patent publications JP H6-70277 (Sato) and JP H6-303651 (Katona), the cited page numbers refer to English translations of those references that are being concurrently produced by Defendants.

The following obviousness combinations are merely exemplary and are not intended to be exhaustive, and Defendants reserve the right to contend that additional combinations not expressed herein render the claimed inventions obvious. With respect to each obviousness combination, Defendants contend that it would have been obvious to one of ordinary skill in the art at the time of the alleged inventions to combine the teachings set forth in those references in a

manner to render particular claims invalid for obviousness, and that one of ordinary skill in the art would have been motivated to do so.[2]

1. The Asserted Claims Are Obvious in View of Blum (U.S. Patent No. 5,237,408)

Blum was filed on August 2, 1991, and issued on August 17, 1993, and is entitled "Retrofitting Digital Video Surveillance System." Blum discloses at least a video surveillance system that employs a plurality of video cameras, a display device, and a memory. Blum also discloses utilization of an alarm condition to trigger a change in the display and storage of a video stream. Blum also discloses digitization of analog video, compression, storage of digitized images at variable frame rates separately programmable for each camera, and display of multiple video streams in windows on a display device. To the extent it is determined that Blum does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Blum and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Blum reference does not fully describe or inherently disclose high-capacity storage, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Blum with any reference in the relevant field that describes such limitations,

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[2] Although Plaintiff has not sufficiently articulated a basis for relying on any secondary considerations affecting obviousness in its March 2, 2009 response to Nice's Interrogatory No. 6, Defendants have taken Plaintiff's assertions regarding secondary considerations into account in assessing the obviousness of the claims in view of the prior art addressed below. To the extent Plaintiff identifies, or Defendants become aware of, additional information or assertions regarding secondary considerations, Defendants reserve the right to supplement these Invalidity Contentions to address any such secondary considerations.

including but not limited to one or more of Boerger, Kannes '819, Kannes '972, McLeod, Sato, Lobodzinski, Cash, or Shiota, to create the alleged inventions disclosed in the asserted claims.

2. The Asserted Claims Are Obvious in View of Boerger (U.S. Patent No. 4,650,929)

Boerger was filed on February 28, 1985, and issued on March 17, 1987, and is entitled "Communication System for Videoconferencing." Boerger discloses at least a video-conferencing system that displays a plurality of live video feeds on a single display device in various windows of different sizes, digitization of analog video signals, frame rate that is separately programmable for each camera, and storage. To the extent it is determined that Boerger does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Boerger and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Boerger reference does not fully describe or inherently disclose high-capacity storage of video images or compression, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Boerger with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Kutner, Cash, McLeod, Sato, Lobodzinski, Downs, or Hasegawa, to create the alleged inventions disclosed in the asserted claims.

3. The Asserted Claims Are Obvious in View of Kannes '819 (U.S. Patent No. 4,965,819)

Kannes '819 was filed on September 22, 1988, and issued on October 23, 1990, and is entitled "Video Conferencing System for Courtroom and Other Applications." Kannes '819 discloses at least video conferencing system employing a plurality of cameras and display

devices, and a storage medium. Kannes '819 further discloses digitization of video signals and display of multiple video feeds in multiple windows on a display device and use of a voice-sensitive switch for selecting a video image to display at a different size than the other video signals. To the extent it is determined that Kannes '819 does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Kannes '819 and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Kannes '819 reference does not fully describe or inherently disclose the variation of frame rate and resolution, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Kannes '819 with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Kutner, Cash, McLeod, Sato, Lobodzinski, Downs, Shiota, or Hasegawa, to create the alleged inventions disclosed in the asserted claims.

4. The Asserted Claims Are Obvious in View of Kannes '972 (U.S. Patent No. 5,382,972)

Kannes '972 was filed on September 8, 1992, and issued on January 17, 1995, and is entitled "Video Conferencing System for Courtroom and Other Applications." Kannes '972 discloses at least a video conferencing system employing a plurality of cameras and display devices, and a storage medium. Kannes '972 further discloses digitization of video signals and display of multiple video feeds in multiple windows on a display device and use of a voice-sensitive switch for selecting a video image to display at a different size than the other video signals. To the extent it is determined that Kannes '972 does not anticipate one or more of the

asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Kannes '972 and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Kannes '972 reference does not fully describe or inherently disclose the variation of frame rate and resolution, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Kannes '972 with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Kutner, Cash, McLeod, Sato, Lobodzinski, Downs, Shiota, or Hasegawa, to create the alleged inventions disclosed in the asserted claims.

5. The Asserted Claims Are Obvious in View of Kutner (U.S. Patent No. 5,642,498)

Kutner was filed on April 12, 1994, and issued on June 24, 1997, and is entitled "System for Simultaneous Display of Multiple Video Windows on a Display Device." Kutner discloses at least a system for display of a plurality of live video feeds in various windows on a single display device. Kutner further discloses digitization of analog video signals and the capability of displaying video signals in windows of different sizes. Kutner further discloses storage of the video signals in two forms of buffer memory. To the extent it is determined that Kutner does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Kutner and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Kutner reference does not fully

describe or inherently disclose use of a high-capacity storage medium, means for sensing a deviation from the normal state image scene, or variation of frame rate and resolution, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Kutner with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, McLeod, Sato, Lobodzinski, Downs, Hasegawa, or Shiota, to create the alleged inventions disclosed in the asserted claims.

6. The Asserted Claims Are Obvious in View of Lobodzinski (U.S. Patent No. 5,619,995)

Lobodzinski was filed on June 14, 1994, and issued on April 15, 1997, and is entitled "Motion Video Transformation System and Method." Lobodzinski discloses at least a diagnostic video imaging system that displays and stores multiple video streams. Lobodzinski discloses digitization of analog video, compression, and storage in a high-capacity storage medium, and simultaneous display of multiple video streams at variable frame rates and window dimensions. To the extent it is determined that Lobodzinski does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Lobodzinski and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Lobodzinski reference does not fully describe or inherently disclose use of a plurality of video cameras, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Lobodzinski with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Kutner,

Gormley, McLeod, Cash, Shiota, Toyoshima, Chang, Rodriguez, or Downs, to create the alleged inventions disclosed in the asserted claims.

7. The Asserted Claims Are Obvious in View of Gormley (U.S. Patent No. 5,258,837)

Gormley was filed on October 19, 1992, and issued on November 2, 1993, and is entitled "Multiple Security Video Display." Gormley discloses at least a video surveillance system with a plurality of video cameras displaying in different windows on a single monitoring device, and use of a video image storage unit. Gormley also discloses window sizes that can be manipulated by the user and use of image compression to display images in different size windows. To the extent it is determined that Gormley does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Gormley and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Gormley reference does not fully describe or inherently disclose use of a high-capacity storage medium or variation of frame rate and resolution, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Gormley with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kanne '972, McLeod, Sato, Lobodzinski, Downs, Hasegawa, or Shiota, to create the alleged inventions disclosed in the asserted claims.

8. The Asserted Claims Are Obvious in View of McLeod ("Automated Video Surveillance – Teaching an Old Dog New Tricks")

McLeod was published on December 17, 1993, and is entitled, "Automated Video Surveillance – Teaching an Old Dog New Tricks." McLeod discloses at least a variety of

automated video surveillance technologies, including systems featuring a plurality of video inputs, display means, storage devices, and alarm conditions that affect the rate at which video is captured for display and storage. McLeod also discloses digitization and compression of video images and variation of frame rates and resolution. To the extent it is determined that McLeod does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in McLeod and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the McLeod reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of McLeod with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Kutner, Gormley, Cash, or Downs, to create the alleged inventions disclosed in the asserted claims.

9. The Asserted Claims Are Obvious in View of Cash (U.S. Patent No. 5,481,297)

Cash was filed on February 25, 1994, and issued on January 2, 1996, and is entitled "Multipoint Digital Video Communication System." Cash describes at least a video conferencing system displaying a plurality of video inputs in separate windows on a display device, and storage. Cash further discloses digitization of analog signals and compression. To the extent it is determined that Cash does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention

disclosed in Cash and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Cash reference does not fully describe or inherently disclose use of a high-capacity storage medium or a means for sensing a deviation from the normal state image scene, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Cash with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, McLeod, Shiota, Toyoshima, or Rodriguez, to create the alleged inventions disclosed in the asserted claims.

10. The Asserted Claims Are Obvious in View of Shiota (U.S. Patent No. 4,943,854)

Shiota was filed on November 17, 1985, and issued on July 24, 1990, and is entitled "Video Surveillance System for Selectively Selecting Processing and Displaying the Outputs of a Plurality of TV Cameras." Shiota discloses at least a surveillance system employing a plurality of cameras, a display device, and storage. Shiota further discloses digitization of analog video signals, and varying the frame rate based on the triggering of a sensor or in response to the operator's selection. To the extent it is determined that Shiota does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Shiota and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Shiota reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device or compression, it would have been obvious to one of ordinary skill in the art at the time the

application for the patent-in-suit was filed to combine the disclosure of Shiota with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Kutner, Lobodzinski, Cash, Downs, or Hasegawa, to create the alleged inventions disclosed in the asserted claims.

11. The Asserted Claims Are Obvious in View of Toyoshima (U.S. Patent No. 5,229,850)

Toyoshima was filed on July 29, 1991, and issued on July 20, 1993, and is entitled "Video Monitoring System Including a Memory for Storing and Transmitting a Video Signal Immediately Following the Occurrence of an Event." Toyoshima discloses at least a video surveillance system that employs a plurality of video cameras, a display device, and a memory, and utilizes sensors to determine when to activate the recording function. Toyoshima also discloses digitization of analog video and compression. To the extent it is determined that Toyoshima does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Toyoshima and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Toyshima reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device or high-capacity storage, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Toyoshima with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Lobodzinski, or Cash, to create the alleged inventions disclosed in the asserted claims.

12. The Asserted Claims Are Obvious in View of Chang ("A Remote Multi-Camera Visual Surveillance System Using Frame-Switching Technology")

Chang was published in October of 1988 and is entitled, "A Remote Multi-Camera Visual Surveillance System." Chang discloses at least a surveillance system with multiple cameras, a display screen, and storage. Chang also discloses digitization of video images. To the extent it is determined that Chang does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Chang and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Chang reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device, means for sensing a deviation from the normal state image scene, or compression, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Chang with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Lobodzinski, Gormley or Cash, to create the alleged inventions disclosed in the asserted claims.

13. The Asserted Claims Are Obvious in View of Rodriguez (U.S. Patent No. 4,511,886)

Rodriguez was filed on October 6, 1983, and issued on April 16, 1985, and is entitled "Electronic Security and Surveillance System." Rodriguez discloses at least a surveillance system with a plurality of cameras connected to a monitor for display and a storage medium. Rodriguez also discloses digitization and compression of video signals, and adjustable frame rates depending on the presence of an alarm condition, such as the triggering of a motion

detector. To the extent it is determined that Rodriguez does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Rodriguez and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Rodriguez reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device or high-capacity storage, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Rodriguez with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Lobodzinski, Gormley, or Cash, to create the alleged inventions disclosed in the asserted claims.

14. The Asserted Claims Are Obvious in View of Tagawa (U.S. Patent No. 4,772,945)

Tagawa was filed on May 11, 1987, and issued September 20, 1988, and is entitled, "Surveillance System." Tagawa discloses at least a security system with a plurality of cameras, a display device, and storage. Tagawa further discloses digitization of analog video signals and use of sensors to detect alarm conditions. To the extent it is determined that Tagawa does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Tagawa and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Tagawa reference does not fully describe or inherently disclose use of windows to display multiple video streams

on a display device, use of high-capacity storage, or variation of frame rate and resolution, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Tagawa with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Kutner, Lobodzinski, McLeod, Gormley, Cash, or Downs, to create the alleged inventions disclosed in the asserted claims.

15. The Asserted Claims Are Obvious in View of Mahoney (U.S. Patent No. 4,458,266)

Mahoney was filed on October 21, 1981, and issued on July 3, 1984, and is entitled "Video Movement Detector." Mahoney discloses at least a surveillance system consisting of a plurality of video cameras with a display and storage means. Mahoney also discloses digitization of analog video signals and an alarm function. To the extent it is determined that Mahoney does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Mahoney and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Mahoney reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device, use of high-capacity storage, or variation of frame rate and resolution, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Mahoney with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Kutner, Lobodzinski, McLeod, Gormley, Cash, or Downs, to create the alleged inventions disclosed in the asserted claims.

16. The Asserted Claims Are Obvious in View of Hasegawa ("Development and Picture Quality Evaluation of a Prototype Hi-Vision Coding System for Facility Monitoring")

Hasegawa was published on September 16, 1994, and is entitled, "Development and Picture Quality Evaluation of a Prototype Hi-Vision Coding System for Facility Monitoring." Hasegawa discloses at least a high-definition video surveillance system with a plurality of cameras, display, and memory. Hasegawa also discloses digitization and compression of video images and variation of frame rate and resolution. To the extent it is determined that Hasegawa does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Hasegawa and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Hasegawa reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device, use of high-capacity storage or means for sensing a deviation from the normal state image scene, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Hasegawa with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, McLeod, Rodriguez, or Shiota, to create the alleged inventions disclosed in the asserted claims.

17. The Asserted Claims Are Obvious in View of Katona (JP H6-303651)

Katona was filed on April 13, 1993, and published on October 28, 1994, and is entitled "Controlling and Monitoring Device for Video Recording Device." Katona discloses at least a video monitoring system with a plurality of video inputs displaying on a monitoring device and a

means for storage. To the extent it is determined that Katona does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Katona and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Katona reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device, use of high-capacity storage or means for sensing a deviation from the normal state image scene, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Katona with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, McLeod, Rodriguez, or Shiota, to create the alleged inventions disclosed in the asserted claims.

18. The Asserted Claims Are Obvious in View of Downs (U.S. Patent No. 5,548,324)

Downs was filed on May 16, 1994, and issued on August 20, 1996, and is entitled "Process, Apparatus and System for Displaying Multiple Video Streams Using Linked Control Blocks." Downs discloses at least a method and system for displaying multiple video streams with different frame rates at the same time on a single display monitor. Downs also discloses digitization of analog signals, storage in a memory, and display of multiple live video streams on a single monitor. To the extent it is determined that Downs does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Downs and the asserted claims would have been obvious to a

person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Downs reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device, high-capacity storage, or means for sensing a deviation from the normal state image scene, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Downs with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Lobodzinski, McLeod, Cash, Shiota, or Rodriguez, to create the alleged inventions disclosed in the asserted claims.

19. The Asserted Claims Are Obvious in View of Shamosh (U.S. Patent No. 5,144,661)

Shamosh was filed on February 11, 1991, and issued on September 1, 1992, and is entitled, "Security Protection System and Method." Shamosh discloses at least a security system with a plurality of cameras, a display device, and storage. Shamosh further discloses use of sensors to detect alarm conditions to trigger monitoring and storage of video images. To the extent it is determined that Shamosh does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Shamosh and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Shamosh reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device, use of high-capacity storage, or variation of frame rate and resolution, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the

disclosure of Shamosh with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Kutner, Lobodzinski, McLeod, Gormley, Cash, or Downs, to create the alleged inventions disclosed in the asserted claims.

20. The Asserted Claims Are Obvious in View of Saitoh (U.S. Patent No. 4,777,526)

Saitoh was filed on June 5, 1987, and issued on October 11, 1988, and is entitled, "Security Monitor System." Saitoh discloses at least a security system with a plurality of cameras, display, and storage. Saitoh also discloses use of motion detectors to trigger the recording of images. To the extent it is determined that Saitoh does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Saitoh and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Saitoh reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device, use of high-capacity storage, or variation of frame rate and resolution, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Saitoh with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Kutner, Lobodzinski, McLeod, Gormley, Cash, or Downs, to create the alleged inventions disclosed in the asserted claims.

21. The Asserted Claims Are Obvious in View of Sato (JP H6-70277)

Sato was filed on August 21, 1992, and published on March 11, 1994, and is entitled "Fixed Point Automatic Monitoring/Recording Device Using Differential Image Data Compression Mechanism." Sato discloses at least a surveillance system capable of display and storage of multiple video feeds, and data compression to reduce the required storage. Sato further discloses digitization of analog video signals and use of a high-capacity storage medium. To the extent it is determined that Sato does not anticipate one or more of the asserted claims, Defendants assert that it renders the asserted claims obvious, alone or in combination with other prior art references discussed herein, because the differences, if any, between the invention disclosed in Sato and the asserted claims would have been obvious to a person of ordinary skill in the art at the time the application for the patent-in-suit was filed. For example, to the extent it is determined that the Sato reference does not fully describe or inherently disclose use of windows to display multiple video streams on a display device or means for sensing a deviation from the normal state image scene, it would have been obvious to one of ordinary skill in the art at the time the application for the patent-in-suit was filed to combine the disclosure of Sato with any reference in the relevant field that describes such limitations, including but not limited to one or more of Blum, Boerger, Kannes '819, Kannes '972, Lobodzinski, Kutner, McLeod or Shiota, to create the alleged inventions disclosed in the asserted claims.

IV. Invalidity Pursuant to 35 U.S.C. § 101

Pursuant to L.P.R. 3.3(d), Defendants are not currently aware of any grounds for invalidity of the asserted claims pursuant to 35 U.S.C. § 101. Defendants reserve the right to supplement these Invalidity Contentions to assert grounds for invalidity of the asserted claims pursuant to 35 U.S.C. § 101 based upon, for example, any claim construction advocated by

Plaintiff or adopted by this Court, or pursuant to facts revealed as discovery progresses, or based upon expert discovery.

V. Invalidity Pursuant to 35 U.S.C. § 112

Pursuant to L.P.R. 3.3(d), Defendants list below the grounds now known to them upon which they presently contend that the asserted claims of the patent-in-suit are invalid for failure to meet the written description, enablement, and definiteness requirements of 35 U.S.C. § 112.

For example, to the extent that a claim or a claim term is too ambiguous to permit any meaningful construction, such claim is invalid for indefiniteness under § 112 ¶ 2. Moreover, additional bases upon which 35 U.S.C. § 112 may apply to the asserted claims are likely to be revealed only after further developments in the case, including identification of claim construction positions advocated by the Plaintiff or adopted by the Court, and as fact and expert discovery progress. Defendants reserve the right to amend or supplement these Invalidity Contentions to address any invalidity arguments under Section 112 that become apparent in view of claim construction or additional facts and information revealed during discovery.

The asserted claims are invalid under 35 U.S.C. § 112 ¶ 1 as having insufficient written description support in the specification. For example, there are no embodiments disclosed in the specification that support the asserted claims.

The specification also does not provide a sufficient written description for at least the following limitations of claim 8:

> (1) "simultaneously displaying and storing multiple video images," for at least the reason that the specification does not provide adequate written description for "simultaneously" displaying and storing multiple video images;
>
> (2) "displaying at least certain of the digitized images in separate windows on a display device," for at least the reason that the specification does not provide adequate written description for displaying "digitized images" on a display device, or for displaying "at least certain" of the digitized images, or for displaying images "in separate windows";

(3) "using a first, predetermined frame rate and resolution associated with each window," for at least the reason that the specification does not provide adequate written description for "predetermin[ing]" a frame rate and resolution, or for associating a "frame rate and resolution . . . with each window";

(4) "simultaneously storing the displayed images," for at least the reason that the specification does not provide adequate written description for "simultaneously" storing the displayed images or for storing "displayed images"; and

(5) "using a second, predetermined frame rate and resolution associated with each image," for at least the reason that the specification does not provide adequate written description for associating a "frame rate and resolution . . . with each image."

The specification also fails to provide an adequate written description for at least the following limitations of claim 12:

(1) "simultaneously displaying and storing multiple video images," for at least the reason that the specification does not provide adequate written description for "simultaneously" displaying and storing multiple video images;

(2) "displaying at least certain of the digitized images in separate windows on a display device," for at least the reason that the specification does not provide adequate written description for displaying "digitized images" on a display device, or for displaying "at least certain" of the digitized images, or for displaying images "in separate windows";

(3) "using a first set of temporal and spatial parameters associated with each image in each window," for at least the reason that the specification does not provide adequate written description of a "set of temporal and spatial parameters," or for associating a "first set of temporal and spatial parameters . . . with each image in each window";

(4) "simultaneously storing the displayed images," for at least the reason that the specification does not provide adequate written description for "simultaneously" storing the displayed images, or storing "displayed images"; and

(5) "using a second set of temporal and spatial parameters associated with each image," for at least the reason that the specification does not provide adequate written description of a "set of temporal and spatial parameters," or for associating "a second set of temporal and spatial parameters . . . with each image."

The specification also fails to provide adequate written description for at least the following limitations of claim 15:

(1) "means to receive the signals from each camera and digitally compress the images," for at least the reason that the specification does not provide adequate written description of the structure or structures that perform the specified functions;

(2) "a computer configured to receive the digitally compressed images," for at least the reason that the specification does not provide adequate written description of the computer's configuration;

(3) "means to receive externally derived operator commands," for at least the reason that the specification does not provide adequate written description of the structure or structures that perform the specified function;

(4) "means for sensing a deviation from the normal-state image scene, the existence of the deviation being used as a basis for generating an externally derived command," for at least the reason that the specification does not provide adequate written description of the structure or structures that perform the specified function, and does not provide adequate written description of a "deviation," of a "normal-state image scene," or of "an externally derived command";

(5) "a computer . . . interfaced to . . . a high-capacity storage medium," for at least the reason that the specification does not provide adequate written support for the interface;

(6) "display the digitally compressed images from the cameras in different windows on the display screen," for at least the reason that the specification does not provide adequate written support for display of "digitally compressed images";

(7) "each window being associated with an update rate and dimensions in pixels," for at least the reason that the specification does not provide adequate written support for associating "an update rate and dimensions in pixels" with a "window";

(8) "vary the dimensions and the rate at which a particular image is updated in its window in accordance with one of the externally derived commands," for at least the reason that the specification does not provide adequate written description for "vary[ing] the dimensions and rate at which a particular image is updated," or doing so "in accordance with . . . externally derived commands"; and

(9) "vary the dimensions and the rate at which a particular image is stored in accordance with one of the externally derived commands," for at least the reason that the specification does not provide adequate written description for "vary[ing] the dimensions and rate at which a particular image is stored," or doing so "in accordance with . . . externally derived commands."

The asserted claims are also invalid under 35 U.S.C. § 112 ¶ 1 because they are not enabled. For example, the specification does not provide sufficient information to enable the asserted claims over their entire range.

The specification does not provide sufficient information to enable one skilled in the art to perform at least the following method steps of claim 8:

(1) "simultaneously displaying and storing multiple video images," for at least the reason that the specification would not enable one of ordinary skill in the art to "simultaneously" display and store video images;

(2) "displaying at least certain of the digitized images in separate windows on a display device," for at least the reason that the specification would not enable one of ordinary skill in the art to display "digitized images . . . on a display device" or to display "at least certain" of the digitized images;

(3) "using a first, predetermined frame rate and resolution associated with each window," for at least the reason that the specification would not enable one of ordinary skill in the art to associate a "frame rate and resolution" with a window;

(4) "simultaneously storing the displayed images," for at least the reason that the specification would not enable one of ordinary skill in the art to "simultaneously" store the displayed images, or to store "displayed images"; and

(5) "using a second, predetermined frame rate and resolution associated with each image," for at least the reason that the specification would not enable one of ordinary skill in the art to associate a "frame rate and resolution . . . with each image."

The specification also fails to provide sufficient information to enable one skilled in the art to perform at least the following method steps of claim 12:

(1) "simultaneously displaying and storing multiple video images," for at least the reason that the specification would not enable one of ordinary skill in the art to "simultaneously' display and store multiple video images;

(2) "displaying at least certain of the digitized images in separate windows on a display device," for at least the reason that the specification would not enable one of ordinary skill in the art to display "digitized images . . . on a display device" or to display "at least certain" of the digitized images; furthermore "displaying at least certain of the digitized images..." is not enabled over its entire range;

(3) "using a first set of temporal and spatial parameters associated with each image in each window," for at least the reason that the specification would not enable one of ordinary skill in the art to associate "temporal and spatial parameters . . . with each image in each window"; furthermore neither "temporal" nor "spatial" parameters are enabled over their entire range; furthermore "each image in each window" is not enabled over its entire range;

(4) "simultaneously storing the displayed images," for at least the reason that the specification would not enable one of ordinary skill in the art to "simultaneously" store the displayed images or to store "displayed images"; and

(5) "using a second set of temporal and spatial parameters associated with each image," for at least the reason that the specification would not enable one of ordinary skill in the

art to associate "temporal and spatial parameters . . . with each image"; furthermore neither "temporal" nor "spatial" parameters are enabled over their entire range.

The specification also fails to provide sufficient information to enable one skilled in the art to make and use a system including at least the following limitations of claim 15:

(1) "means to receive the signals from each camera and digitally compress the images," for at least the reason that the specification would not enable one of ordinary skill in the art to make and use a means that would perform the specified functions; furthermore the disclosed structures do not enable the "means" clause over its entire range;

(2) "a computer configured to receive the digitally compressed images," for at least the reason that the specification would not enable one of ordinary skill in the art to "configure" the "computer";

(3) "means to receive externally derived operator commands," for at least the reason that the specification would not enable one of ordinary skill in the art to make and use a "means" that would perform the identified function; furthermore the disclosed structures do not enable the "means" clause over its entire range;

(4) "means for sensing a deviation from the normal-state image scene, the existence of the deviation being used as a basis for generating an externally derived command," for at least the reason that the specification would not enable one of ordinary skill in the art to make and use a "means" that would perform the specified function; furthermore the disclosed structures do not enable the "means" clause over its entire range;

(5) "the computer being interfaced to . . . a high-capacity storage medium," for at least the reason that the specification does not provide enablement of "high-capacity" over its entire range;

(6) "display the digitally compressed images from the cameras in different windows on the display screen," for at least the reason that the specification would not enable one of ordinary skill in the art to make and use a system for displaying "digitally compressed images";

(7) "each window being associated with an update rate and dimensions in pixels," for at least the reason that the specification would not enable one of ordinary skill in the art to make and use a system that would associate "each window" with "an update rate and dimensions and pixels";

(8) "vary the dimensions and the rate at which a particular image is updated in its window in accordance with one of the externally derived commands," for at least the reason that the specification would not enable one of ordinary skill in the art to make and use a system that would "vary the dimensions and the rate at which a particular image is updated"; and

(9) "vary the dimensions and the rate at which a particular image is stored in accordance with one of the externally derived commands," for at least the reason that the specification would not enable one of ordinary skill in the art to make and use a system that would "vary the dimensions and the rate at which a particular image is stored."

The asserted claims are also invalid under 35 U.S.C. § 112 as indefinite. Claim 8 is indefinite in scope because it is insolubly ambiguous as to at least the following limitations:

(1) "using a first, predetermined frame rate and resolution associated with each window," for at least the reason that it is insolubly ambiguous what it means to associate a "frame rate and resolution" "with each window" and because "predetermined" is insolubly ambiguous; and

(2) "using a second, predetermined frame rate and resolution associated with each image," for at least the reason that it is insolubly ambiguous what it means to associate a "frame rate and resolution" "with each image" and because "predetermined" is insolubly ambiguous.

Further, claim 12 is indefinite in scope because it is insolubly ambiguous as to at least the following limitations:

(1) "using a first set of temporal and spatial parameters associated with each image in each window," for at least the reason that it is insolubly ambiguous what it means to associate "temporal and spatial parameters" "with each image in each window," because "each image in each window" is insolubly ambiguous how many images can be in each window, and because "first set . . ." is insolubly ambiguous; and

(2) "using a second set of temporal and spatial parameters associated with each image," for at least the reason that it is insolubly ambiguous what it means to associate "temporal and spatial parameters" "with each image" and because "second set . . ." is insolubly ambiguous.

Further, claim 15 is indefinite in scope because it is insolubly ambiguous as to at least the following limitations:

(1) "means to receive externally derived operator commands," for at least the reason that it is insolubly ambiguous what an "externally derived operator command[]" is.

(2) "means for sensing a deviation from the normal-state image scene," for at least the reason that it is insolubly ambiguous what "a deviation from the normal-state image scene" or a "normal-state image scene" are;

(3) "the existence of a deviation being used as a basis for generating an externally derived command," for at least the reason that it is insolubly ambiguous what "the existence of a deviation" or "an externally derived command" are.

(4) "each window being associated with an update rate and dimensions in pixels," for at least the reason that it is insolubly ambiguous what it means to associate each window "with an update rate and dimensions in pixels";

(5) "vary the dimensions and the rate at which a particular image is updated in its window in accordanee with one of the externally derived commands," for at least the reason that it is insolubly ambiguous what it means to "vary the dimensions and the rate at which a particular image is updated" and "externally derived commands" is insolubly ambiguous; and

(6) "vary the dimensions and the rate at which a particular image is stored in accordance with one of the externally derived commands," for at least the reason that it is insolubly ambiguous what it means to "vary the dimensions and the rate at which a particular image is stored" and "externally derived commands" is insolubly ambiguous.

Claim 15 is further invalid as indefinite because it attempts to claim both a system and a method for using that system.

More detailed bases for the above indefiniteness, enablement, and written description defenses may be set forth in any expert report(s) on invalidity to be served by Defendants in accordance with the Revised Pretrial Scheduling Order. (D.I. 33). Defendants reserve the right to amend and/or supplement these Invalidity Contentions based on 35 U.S.C. § 112 as discovery progresses.

VI. Documents

Pursuant to L.P.R. 3.4(a), documents sufficient to show the operation, composition, or structure of the Accused Instrumentalities as identified by Plaintiff in its L.P.R. 3.1(c) chart have been produced as NICE0000001-NICE0009074. However, Plaintiff has failed to comply adequately with the disclosure requirements of L.P.R. 3.1(c). Defendants reserve the right to produce additional documents relevant to the operation, composition, or structure of the Accused Instrumentalities should Plaintiff be permitted to supplement its disclosures pursuant to L.P.R.

3.1, as discovery progresses, and in view of any claim construction advocated by the Plaintiff or adopted by the Court in this case, and additional facts revealed during discovery.

Pursuant to L.P.R. 3.4(b), Defendants are producing under separate cover a CD containing copies of the prior art references identified herein as documents bearing production numbers NICE0009075-NICE0012760, including English translations of two Japanese prior art references upon which Defendants rely in these Invalidity Contentions. Defendants reserve the right to produce additional prior art references or translations of prior art references in view of their continued search for prior art, the scope of prior art pursuant to any claim construction advocated by the Plaintiff or adopted by the Court in this case, additional facts revealed during discovery, and expert discovery.

Dated: May 1, 2009

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CERTIFICATE OF SERVICE

I hereby certify that on, May 1, 2009, I served the foregoing **DEFENDANTS NICE SYSTEMS, INC. AND BALLY'S PARK PLACE, INC.'S DISCLOSURES PURSUANT TO LOCAL PATENT RULES 3.3 AND 3.4** via e-mail and U.S. Mail postage prepaid upon the following counsel of record for Plaintiff.

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